

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation on the
Commission's Own Motion into the Rates,
Operations, Practices, Service and Facilities
of Pacific Gas and Electric Company.

I. _____

ORDER INSTITUTING RULEMAKING

Pacific Gas and Electric Company (PG&E) is a public utility electric corporation. Pursuant to Pub. Util. Code §§ 454 and 451, the Commission regulates PG&E's rates, operations, practices, services, and the reliability, safety and adequacy of PG&E's facilities. The manner and extent of such regulation is decided in general rate case (GRC) proceedings and other forums at the Commission.

On November 15, 2012, PG&E filed Application (A.) 12-11-009, a GRC request for authority to increase its gas and electric revenue requirements by \$1.282 billion for the Test Year 2014. In the same GRC filing, PG&E also seeks an attrition adjustment estimated to result in revenue increases in 2015 and 2016 in the amounts of \$492 million and \$504 million, respectively.

We hereby commence this companion investigation to A.12-11-009 and consolidate this investigation with A.12-11-009. The purpose of this investigation is to allow the Commission to consider proposals other than PG&E's, and to enable the Commission to enter orders on matters for which the utility may not be the proponent. This companion investigation will also afford parties an opportunity and forum to provide evidence on issues of interest to the

Commission. These issues may result in directives to PG&E that serve the public interest and that result in just and reasonable rates, services, and facilities.

IT IS ORDERED that:

1. This investigation is commenced as a companion to, and shall be consolidated with, Application 12-11-009. The purpose of this investigation is to take evidence and enter orders within the jurisdiction of the Commission in connection with Pacific Gas and Electric Company's (PG&E) revenue requirement, rates, operations, practices, services, and facilities. PG&E is the respondent utility to this investigation.

2. Pacific Gas and Electric Company (PG&E) is hereby placed on notice that the Commission, for good cause, and to advance the public interest, may enter orders regarding matters beyond what PG&E requests in the companion consolidated proceeding, Application 12-11-009.

3. This Ordering Paragraph constitutes the scoping memo required by Rule 7.3 of the Commission's Rules of Practice and Procedure. This consolidated proceeding is categorized as ratesetting. There is a need for evidentiary hearings in the consolidated proceeding. The scope of this proceeding is set forth in the body of this Order and the Assigned Commissioner's Ruling and Scoping Memo issued in Application 12-11-009 on January 22, 2013. The schedule in this consolidated proceeding is set forth in the January 2013 Scoping Memo and includes a prehearing conference which was convened in January 2013. Administrative Law Judge Thomas Pulsifer is the Presiding Officer in this proceeding.

4. This Order's categorization of this proceeding as ratesetting may be appealed pursuant to Rule 7.6.

5. The Executive Director shall cause a copy of this order to be served on the service list in Application 12-11-009.

This order is effective today.

Dated _____, at San Francisco, California.